

AO 91 (Rev. 08/09) Criminal Complaint

UNITED STATES DISTRICT COURT

for the

Middle District of Pennsylvania

United States of America)

v.)

EMMANUEL EKHATOR)

Case No. 1:10-mj-63)

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of August 2008 in the county of Dauphin, Cumberland, Lacka in the
Middle District of Pennsylvania, the defendant(s) violated:

Code Section

Offense Description

18 U.S.C. § 371	Criminal Conspiracy
18 U.S.C. § 1341	Mail Fraud
18 U.S.C. § 1343	Wire Fraud

This criminal complaint is based on these facts:

I, Louis DiRienzo, having been duly sworn, do state the following.

1. I have over 14 years of Law Enforcement experience. For the past seven years I have been employed as
 (continued on attached 10 page affidavit)

☒ Continued on the attached sheet.

Complainant's signature

Louis DiRienzo, U.S. Postal Inspector

Printed name and title

Sworn to before me and signed in my presence.

Date: 8-12-2010

Judge's signature

City and state: Harrisburg, Pennsylvania

Martin C. Carlson, U.S. Magistrate Judge

Printed name and title

a Federal Agent with the United States Postal Inspection Service. Prior to becoming a United States Postal Inspector I was a police officer with the Lancaster City Bureau of Police for seven years. My first assignment as a United States Postal Inspector was with the Financial Crimes Task Force in Pittsburgh, Pennsylvania where I specialized in the investigation of complex financial crimes and identity theft. As part of that assignment I also maintained a presence with Electronic Crimes Task Force where I assisted in coordinating financial investigations that had a computer nexus. Currently I am assigned to the Harrisburg Domicile where I am assigned to the Mail Fraud Team. My duties and responsibilities as a United States Postal Inspector include the investigation of complex fraud schemes involving violations of various federal criminal statutes to include 18 U.S.C. § 371, Criminal Conspiracy; 18 U.S.C. § 1341, Mail Fraud; and 18 U.S.C. § 1343, Wire Fraud. As a United States Postal Inspector I have received specialized training in fraud, financial investigations, computer investigations and money laundering. I have worked numerous complex fraud cases and have also worked on a number of cases involving the laundering of proceeds of complex financial crimes, to include the movement of these proceeds overseas. Furthermore, I have conducted numerous investigations in which computers were used to facilitate the crime, to hold records that are evidence of criminal activity and/ or in which the internet and e-mail was used by suspects to communicate with each other and to contact their victims. Through my training, education and experience I have become familiar with these sophisticated fraud schemes perpetrated by individuals both within the United States and overseas, and with how the suspects obtain money from victims and the methods used by the suspects to launder such funds.

2. The information contained in this affidavit comes from my own personal observations and investigation; from information provided to me by other agents of the United States Postal Inspection Service the FBI, and the United States Secret Service; as well as my personal experience in investigating on-line fraud and other crimes, discussions with computer experts, and public source information available on the Internet. This affidavit is intended to show merely that there is sufficient probable cause for the requested criminal complaint and does not purport to set forth all of my knowledge of the investigation into this matter. Based upon the following information there is probable cause to believe that EMMANUEL EKHATOR has committed acts in violation of 18 U.S.C. § 371, Criminal Conspiracy; 18 U.S.C. § 1341, Mail Fraud; and 18 U.S.C. § 1343, Wire Fraud.

3. In November 2008 the USPIS in Harrisburg Pennsylvania began an investigation into complaints about a scheme to defraud in which suspects, suspected to be Nigerian nationals, operating out of the United States, Canada and the United Kingdom (UK) targeted United States (US) and Canadian law firms in what is known as a "collection" scam. In this scam, the law firms are contacted, usually via e-mail, by a suspect claiming to be a foreign citizen or the representative of a foreign company. The suspect represents that they or their company needs representation by the law firm for collection efforts against North American clients, a real estate transaction, a divorce settlement, or a tort settlement. After agreeing to represent the individual, the law firm is then contacted by another suspect posing as a representative of the company or individual owing the debt. This individual agrees to make payment on the debt or settlement. A suspect then mails a counterfeit check to the law firm via Canada Post, US Mail or private courier such as

FedEx or UPS. The counterfeit check arrives at the law firm and appears to be legitimate. The information on the checks is stolen from actual companies with the amount, payee name and phone number altered. The victim law firms usually contact the fraudulent number printed on the front of the check for verification, and speak to another subject involved in the scam, who verifies the amount and states that the check is valid. The law firm deposits the check into its IOLTA or trust account. After a few days, believing the check has cleared the victim firm wires the funds to a bank account, normally in Asia, as instructed by the initial suspect, whom they still believe to be a legitimate client. It is not until the check is returned as counterfeit that the fraud is detected.

4. In August 2008 Attorney Richard GAN of Carlisle, Pennsylvania was contacted via e-mail by a suspect using the name "Wang CHUNG," and using e-mail address Wang@mail-juetai.com. The suspect represented to GAN that he worked for Jye Tai Precision Industrial Co. Ltd. of Taiwan, and that Jye Tai was owed money by an A&H Enterprises. GAN agreed to represent "CHUNG." On or about August 8, 2008 GAN received what appeared to be an official Citibank check for check for \$297,900.00 payable to his law group from A&H Enterprises. The routing number on the check was 031100209. The account number was 38768924. The check was mailed via UPS from Canada. GAN deposited the check into his account on August 11, 2008. GAN believed the check had cleared so he contacted the suspect and was instructed to wire the funds, minus GAN'S fee, to account 650-006463-244 at the Korea Exchange Bank. On August 13, 2008, GAN wired \$244,278.00 to this account. On August 15, 2008 GAN was informed by M&T bank that the check was counterfeit and that his account was now

overdrawn. M&T was not able to recover the funds wired to Korea. GAN reported the incident to law enforcement and was contacted by the U.S. Postal Inspection Service, which initiated an investigation.

5. In December 2009 attorney Anthony T. MCBETH of Harrisburg, Pennsylvania, received an e-mail from mcmchen9@gmail.com by an individual claiming to be Manny Chen, of Malaysia. The individual stated that he needed representation in obtaining a \$350,000.00 payment from a settlement that allegedly arose out of an accident with JOM Freight out of York, Pennsylvania. After obtaining information from the individual, to include a copy of an alleged passport and the agreement, MCBETH agreed to represent the individual. MCBETH had telephone conversations with an individual claiming to be Robert Erwin of JOM's insurance carrier, TD Insurance. On January 12, 2010, MCBETH received a check for \$350,000.00, payable to him, via DHL, mailed from Toronto Canada. The check appeared to be from TD insurance and appeared to be a Citibank official check. The check was allegedly payable from Citibank N.A., Newcastle, DE. It displayed phone number 1-888-211-9789, account number 38762924 and routing number 028000082. This phone number does not belong to Citibank. MCBETH deposited the check into his trust account at M&T bank. He received wiring instructions from "Chen" instructing him to wire \$270,000.00 to A B N AMRO bank, in Singapore, in care of beneficiary Global Vision LTD., account 050312928. He did this on January 20, 2010. On January 21, 2010, MCBETH learned that he was the victim of a scam. He attempted to recall the wire transfer, but was not able to. On that same date the check was returned to M&T by Citibank as counterfeit. MCBETH initially contacted the Secret Service, which eventually forwarded the complaint to the U.S. Postal Inspection

Service in Harrisburg, Pennsylvania.

6. On January 27, 2010, Attorney Gene GOLDENZIEL of Scranton, Pennsylvania, received a contact via e-mail from choi.minyong@yahoo.com requesting representation in collecting a \$400,000.00 settlement from JOM freight. GOLDENZIEL responded and numerous e-mails were sent back and forth. On February 9, 2010 GOLDENZIEL received a US Mail Express envelope EH646090998US containing a counterfeit Citibank official check. The check was allegedly payable from Citibank Investment Services N.A., Newcastle, DE. It displayed phone number 1-888-211-9789, account number 38762924 and routing number 031100209. These are the same as the checks that were mailed to GAN and ROARK. The check was for \$400,000.00, was check number 311687330, and was allegedly from Metlife. Along with the check was a letter stating it was a settlement claim for Ms. Choi Min Yong. GOLDENZIEL determined the check was counterfeit prior to wiring any funds.

7. It was determined that in addition to the USPIS investigation, the FBI and U.S. Secret Service (USSS) also had ongoing investigations into this scam. A coordinated investigation was initiated. To date there are approximately 70 victim law firms throughout the United States and Canada that have reported over \$29 Million in actual losses. Additionally, there have been at least 300 additional attempts with attempted losses of over \$100 Million.

8. With the assistance of source information and Canadian law enforcement, Emmanuel EKHATOR, a Nigerian believed to reside at least part time in Canada at 2308 Manor House Court, Mississauga, Ontario, was identified as a possible suspect in this scam. EKHATOR was known to Canadian law enforcement as being involved in these

types of scams. Furthermore, source information identified EKHATOR as being involved in this scam and identified EKHATOR as using e-mail account dsecurities2000@yahoo.com to co-ordinate and operate the scam.

9. On April 13, 2010 Canadian law enforcement officials conducted a search of the trash at EKHATOR'S residence in Mississauga, Ontario. Located in the trash were two letters that were purportedly from "Liberty Life Insurance" and were addressed to the Hershewe Law Group of Joplin, Missouri and to Attorney Matthew Bretz of Hutchinson, Kansas. These letters state that there is enclosed a check that will settle a claim owed to the attorney's client.

10. On or about April 28, 2010 the United States Customs and Border Protection intercepted a number of DHL overnight envelopes addressed from "Liberty Life Insurance" in Toronto, Canada to various law firms throughout the United States. These envelopes all contained counterfeit checks. One of these envelopes was addressed to Matthew L. BRETZ of Hutchinson, Kansas. It contained a counterfeit Citibank Official Check. The check for \$427,500.00 and was allegedly payable from Citibank Investment Services N.A., Newcastle, DE. It displayed phone number 1-888-211-9789, account number 38762924 and routing number 031100209. Another envelope was addressed to Daniel BAKER of the Hershewe Law Firm, of Joplin Missouri. It also contained a counterfeit Citibank Official Check. The check was also for \$427,500.00 and was also allegedly payable from Citibank Investment Services N.A., Newcastle, DE. It also displayed phone number 1-888-211-9789, account number 38762924 and routing number 031100209. These checks appear very similar to the checks sent to GAN, ROARK and GOLDENZIEL. Furthermore, both envelopes contained letters almost identical to the

letters that were recovered from EKHATOR'S trash by Canadian law enforcement.

11. On July 9, 2010, the Honorable J. Andrew Smyser, U.S. Magistrate Judge for the Middle District of Pennsylvania, authorized a search warrant for a number of e-mail accounts suspected of being used in the scam, to include the dsecurities2000@yahoo.com account. Yahoo! records indicate that dsecurities2000@yahoo.com is registered to in the name of "Mr. James York" of Rialto, California. I conducted an investigation into this name and learned there is no record of anyone with that name residing in Rialto, California, in the past or present. Yahoo! records indicate that the account is being accessed via a Rogers Cable internet account, as well as being logged into from the United Kingdom and Nigeria. The Rogers Cable IP address being used to access dsecurities2000@yahoo.com is 174.117.143.115. On June 15, 2010 Canadian Law Enforcement obtained a production order for this IP address and determined that the account belongs to EKHATOR at his residence at 2308 Manor House Court in Mississauga, Ontario. Furthermore, intelligence gathered on EKHATOR indicates that he travels throughout the world, mostly to Nigeria, and the United Kingdom.

12. A review of the e-mails from the dsecurities2000@yahoo.com account indicates that EKHATOR uses the account to communicate with approximately forty individuals known in the scamming community known as "Catchers" as well as "Runners." Catchers contact law firms and begin the attorney client relationship. There are several methods of starting communication. Some start with referrals from other law firms and some are direct contacts from lists generated from websites like <http://www.lawyers.com>. After the Catcher has a law firm lined up, the Runners do the leg work of coordinating bank accounts and getting checks from the counterfeiters responsible for drafting the checks.

EKHATOR coordinates the scam by passing along information between the Catchers and the Runners, ensuring that counterfeit checks are sent to the victims and that once the check is cashed, the victim is provided a bank account by the Catcher so that the funds can be obtained by the scammers. EKHATOR provides information to the check counterfeiters to be used to make and send the counterfeit checks to the victims. He receives notification of the shipment of these checks and passes this information along to the Catchers so that they can communicate with the victim about the check. EKHATOR receives bank information from another party and provides this to the Catchers so that they can give it to the victims.

13. In my review of the e-mails contained in the dsecurities2000@yahoo.com account I located the following e-mails pertaining to the defrauding of Richard GAN of Scranton, Pennsylvania.

a. On Aug 4, 2008 dsecurities2000@yahoo.com received an e-mail from "nosirante@yahoo.com" with the title "AZA FROM NICK." An "AZA" is a term used to indicate an account that can be used to receive fraud proceeds from victims. This e-mail includes three accounts; one of the accounts provided is the Korea Exchange Bank account 650-006463-244 that was given to GAN and to which GAN wired the funds.

b. On January 24, 2009 at approximately 4:51 PM dsecurities2000@yahoo.com received an e-mail from info@queenprinting.com with the subject "scan page." In the e-mail is a PDF file that contains a scanned image of a Citibank Official Check for \$50.00. The routing number on the check

is 031100209. The account number is 38768924. These are the same as the counterfeit check that was mailed to GAN.

14. In my review of the dsecurities2000@yahoo.com account I found the following e-mails relating to the defrauding of Attorney Anthony MCBETH of Harrisburg Pennsylvania.

a. On November 23, 2009 dsecurities2000@yahoo.com sent an e-mail to zofash@ymail.com, an e-mail account belonging to an unknown suspected check counterfeiter, with information to put on checks he was to send out. This information includes the same phone number and account number as the check sent to MCBETH.

b. On December 6, 2009 dsecurities2000@yahoo.com received an e-mail from bobbyalfred2002@yahoo.com, an unknown suspected catcher, with the subject "Acate Global Vision" and providing the information for A B N AMRO bank, in Singapore, in care of beneficiary Global Vision LTD., account 050312928. This is the account that MCBETH wired funds to.

c. On March 20, 2010 dsecurities2000@yahoo.com sent an e-mail to jusabine@yahoo.co.uk, an account believed to belong to another unknown suspected catcher, providing this same account information. Furthermore, EKHATOR, is known to have a business in Ontario, Canada named "Neu-Vision Global.

15. In my review of the dsecurities2000@yahoo.com account I located the following e-mails relating to the defrauding of Attorney Gene GOLDENZIEL of Scranton Pennsylvania.

a.. On February 5, 2010 at approximately 9:47 AM EST

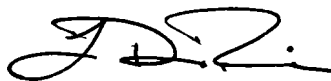
dsecurities2000@yahoo.com sent an e-mail to suspected check counterfeiter e-mail account zofash@ymail.com that contains the wording of the letter that was mailed to GOLDENZIEL with the counterfeit check.

b. On February 5, 2010 at approximately 9:42 AM EST

dsecurities2000@yahoo.com sent an e-mail to suspected check counterfeiter e-mail account zofash@ymail.com with the information to put on the counterfeit check to send to GOLDENZIEL to include the account and routing information and who to make the check payable to.

c. On February 8, 2010 at approximately 7:01 PM EST zofash@ymail.com sent an e-mail to dsecurities2000@yahoo.com indicating that he had sent check number 311687330 and providing U.S. Mail Tracking number EH646090998US.

16. Based upon the aforementioned facts there is probable cause to believe that EMMANUEL EKHATOR has committed violations of 18 U.S.C. § 371, Criminal Conspiracy; 18 U.S.C. § 1341, Mail Fraud; and 18 U.S.C. § 1343, Wire Fraud.



LOUIS DIRIENZO, Postal Inspector
U.S. Postal Inspection Service

Sworn to and subscribed before me
on this 12th day of August 2010,
at Harrisburg, Pennsylvania.



MARTIN C. CARLSON
United States Magistrate Judge